

Administration of Barack H. Obama, 2010

Remarks on Health Care Reform in Portland, Maine

April 1, 2010

The President. Hello, Portland.

Audience members. Yes we can! Yes we can! Yes we can!

The President. Thank you, Portland. Thank you so much. Thank you, everybody. Well, what a wonderful—I guess when the sun comes out around here, everybody gets pretty excited.

Audience member. I love you!

The President. I love you back.

Now, I have to say, the last time I was in Maine, it was before the caucuses. It was a little cooler here—[*laughter*—as I recall. But it is wonderful to be back. There are some people I want to say a few nice things about.

First of all, we could not have a better Small Business Administrator than your own neighbor, Karen Mills. And so please give her a huge round of applause. She's doing a great job. And I think she has more than a few folks from Maine on her staff. She's kind of stocked them all over the place. And everybody is doing a great job over at the SBA. I want to thank—

Audience member. Thank you!

The President. Thank you. I want to thank one of the finest Governors in the country, John Baldacci, who is here. Thank you, John. Where is he? There he is right there. Thank you.

Your outstanding mayor, Nick Mavodones, is here. And we've got two great champions from Maine whose tireless efforts have helped working families all across this State and all across this country, Congresswoman Chellie Pingree and Congressman Mike Michaud.

All right, it is good to be back in Maine. And I want everybody to remember, when I came here during the campaign, I made a promise. And it wasn't a promise about any particular issue. It was a promise that our Government would once again be responsive to the needs and aspirations of working families, of America's middle class. It was a promise that Washington would concern itself not just with the next election, but with the next generation of Americans.

Now, keeping that promise is even more critical now, at a time when so many families and so many small-business owners are still struggling here in Maine and all across the country. Every time I visit with workers in a factory or families in a diner, every time I sit down and read letters from Americans across the country, I see and hear the same questions. Folks are asking: "How am I going to find a job when I've only known one skill my entire lifetime and I just got laid off and I'm in my fifties?" "How am I going to retire when I keep spending my savings just to get by, or trying to make sure that my kid can go to college and tuition keeps on going up?" "How am I going to make it when I'm stretched to the limits on my mortgage and on my bills?" Those are the questions that I hear.

And I want you to know we are working every single day to spur job creation and to turn this economy around. That's why we worked so hard over the last year to lift one of the biggest

burdens facing middle class families and small-business owners, and that is the crushing cost of health care right here in America.

And Mainers, I want you to know that last week, after a year of debate and a century of trying, health insurance reform became the law of the land—last week. Last week.

Audience members. Yes we did! Yes we did! Yes we did!

The President. Yes we did. Because of folks like Chellie and Mike, it happened. Because of people like you, it happened. It happened because people had the courage to stand up at town hall meetings and talk about how insurance companies were denying their families coverage because of a preexisting condition. It happened because folks wrote letters about how premiums had gone up 50 or 70 or 100 percent, in some cases, and it was forcing them to give up their insurance. It happened because countless small-business owners and families and doctors shared stories about a health care system that was working better for the insurance industry than it did for American people.

And when the special interests sent an army of lobbyists to Congress and blanketed the airwaves with millions of dollars in negative ads, all of you mobilized and organized, and you refused to give up. And when the pundits were obsessed over what the polls were saying and who was up and who was down and what would this mean for Democrats or Republicans, you never lost sight of what was right and what was wrong. You knew it wasn't about the fortunes of one party; it was about the future of our country. And today, Portland, because of what you did, the future looks stronger and more hopeful than it has in some time.

Now, over the last year, there's been a lot of misinformation spread about health reform. There's been a lot of fear-mongering, a lot of overheated rhetoric. You turned on the news, you'd see that those same folks who were hollering about it before it passed, they're still hollering about how the world will end because we passed this bill. *[Laughter]* This is not an exaggeration. John Boehner called the passage of this bill——

Audience members. Boo!

The President. ——no need to—we don't need to boo; I just want to give the facts—called this passage of this bill "Armageddon." You had others who said this is the "end of freedom as we know it."

So after I signed the bill, I looked around. *[Laughter]* I looked up at the sky to see if asteroids were coming. *[Laughter]* I looked at the ground to see if cracks had opened up in the earth. You know what, it turned out it was a pretty nice day. *[Laughter]* Birds were still chirping. Folks were strolling down the street. Nobody had lost their doctor. Nobody had pulled the plug on granny. *[Laughter]* Nobody was being dragged away to be forced into some Government-run health care plan.

But the thing is, though, you have to love some of the pundits in Washington. Every single day since I signed the reform law, there's been another poll or headline that said "Nation Still Divided on Health Care Reform. Polls Haven't Changed Yet." Well, yeah. It just happened last week. *[Laughter]* It's only been a week.

Can you imagine if some of these reporters were working on a farm, and—*[laughter]*—you know, you planted some seeds, and they came out the next day and they looked, and—"Nothing's happened!" *[Laughter]* "There's no crop! We're going to starve! Oh, no! It's a disaster!" *[Laughter]*

It's been a week, folks. *[Laughter]* So before we find out if people like health care reform, we should wait to see what happens when we actually put it into place. Just a thought.

Now, look, this reform is not going to solve every problem with our health care system. It is a huge, complicated piece of business: a couple of trillion dollars, thousands of people affected, thousands of people working in the industry. It's not going to bring down the cost of health care overnight. We're going to have to make some adjustments along the way. But it represents enormous progress. It enshrines the principle that every American should have the security of decent care and that nobody should go bankrupt because they've got a kid who's sick with a preexisting condition, that small businesses shouldn't be burdened because they want to do the right thing by their employee. So now that this bill is finally law and all the folks who've been playing politics will finally have to confront the reality of what this reform is, they're also going to have to confront the reality of what it isn't.

They'll have to finally acknowledge that this isn't a Government takeover of our health care system. They'll see that if Americans like their doctor, they will keep their doctor. And if you like your insurance plan, you will keep it. No one will be able to take that away from you. It hasn't happened yet. It won't happen in the future.

What this reform represents is basically a middle-of-the-road solution to a very serious problem. It's not single-payer. Some people wanted that, I understood that, but that is not—*[applause]*—see? But—so it's not that. But it's also not what the Republicans were advocating for, which is essentially that you completely deregulate the insurance industry, you let them run wild, and that somehow you are going to benefit. That was their theory. It was called the "foxes guarding the chicken coop" health care plan.

So it's not the plan that some on the left supported in the past. It's not what some on the right supported, but it is a commonsense plan. This reform incorporates ideas from both Democrats and Republicans, including, by the way, a number of ideas from your Senator and somebody I consider a friend, Olympia Snowe, who spent many hours meeting with me on this bill.

And what this reform does is, it builds on the system of private health insurance that we've already got, so that if you have insurance, this reform will make it more secure and more affordable. If you can't afford insurance or if you've been denied coverage, you're finally going to be able to get it. And over time, costs will come down for families, businesses, and the Federal Government, reducing our deficit by more than \$1 trillion over the next two decades. That's what this reform will do.

Now, Portland, it will take about 4 years to implement this entire plan, because we've got to do it responsibly, we need to get it right. But there's also a set of reforms that will take effect this year. So I just want to—I want everybody to understand what's going to happen this year.

Starting this year, millions of small-business owners are going to be eligible for a tax credit that will help them cover the cost of insurance for their employees. And let me talk about what this means for a small-business owner like Bill Milliken. Is that—Bill, stand up. That's Bill right there. Now, I want to give a little plug to Bill here. *[Laughter]* Bill owns Market House Coffee and the Maine Beer and Beverage corporation, both here, right here in Portland. In exchange for this publicity, I hope that I'm going to get some samples of the beer. *[Laughter]* Okay, he nodded in the affirmative. *[Laughter]*

Now, he wants to give his part-time employees health insurance, and he wants to give them more hours, but he can't do both. He can't afford to do both. So this tax credit will make it easier for an employer like Bill who wants to do the right thing by his workers.

Starting now, small-business owners like Bill will have the security of knowing that they can qualify for a tax credit that covers up to 35 percent—over a third—of what they pay for their employees' health insurance. And starting now, small-business owners that provide health care for their workers can sit down at the end of the week, they can look at their expenses, and they can begin calculating how much money they're going to save. And for small-business owners who don't currently provide health insurance, they're going to be able to factor in this new benefit when they're deciding to do so.

Now, it won't solve all our problems, but it means that employees that work for Bill have a better chance of keeping their health care or getting health care. And if they're already getting health care, it means Bill has got some extra money. That means he might hire that extra worker, right?

So this health care tax credit is projobs, it's probusiness, and it starts this year. This month we're going to be sending out details on how to apply for this credit to millions of small businesses across the country, but if you want to learn about it today, we're going to put all the facts on our web site, www.whitehouse.gov. All right? So that happens this year.

Here's what else happens this year: Tens of thousands of uninsured Americans with preexisting conditions and parents whose children have a preexisting condition will finally be able to purchase the coverage that they need. That happens this year.

So last week I met a man named David Gallagher, whose daughter Lauren had written me a letter last year. When Lauren's mom lost her job, their entire family lost their health insurance. When they tried to get new insurance, David was denied coverage because he once had a complication-free hernia surgery, but the insurance companies wanted to weed him out. They figured, "Well, the guy has been sick before; we don't want to have to cover him, we don't want to bear that risk." So Lauren has been worried sick about what would happen if her father became ill or injured. Now, because of this reform, David Gallagher can finally have access to health insurance again. That begins this year; that starts this year.

So that's just one of the insurance reforms that starts this year. Here's what else happens: Insurance companies won't be able to drop people's coverage when they get sick or place lifetime limits or restrictive annual limits on the amount of care they can receive.

Now, this isn't some abstract concept. There was a story in a local paper this week about a woman named Theresa D'Andrea. And Theresa's husband——

Audience member. D'Andrea.

The President. D'Andrea, excuse me. Thank you. Where is she? Are you up there? Stand up. Stand up, Theresa. Now, Theresa's husband passed away recently from cancer, and before he died, he hit the lifetime cap on his insurance. And as a result, Theresa's not only had to cope with the loss of her husband, but with \$60,000 in medical bills—and this is after she's already spent all of her retirement savings on medical care. Now, because of this reform, a situation like Theresa's won't happen again in the United States of America. And that's going to start this year. And we're inspired by stories like yours.

Starting this year, all new insurance plans will be required to offer free preventive care. And starting this year—this may interest some of you here—if you are a young person who

doesn't have insurance or doesn't have a job that offers insurance, you're going to be able to stay on your parents' insurance policy until you're 26 years old, starting this year—starting this year. So——

Audience member. Thank you.

The President. ——now—you're welcome. [*Laughter*] Thank Chellie and Mike; they voted for it. Thank them.

This year, seniors who fall into the coverage gap known as the doughnut hole—some seniors probably know about that—they're going to receive \$250 to help pay for prescriptions, and that's just the first step, because what we're going to be doing is, over the next several years, closing that gap completely. And I want seniors to know, despite some of the stuff that's been said out there, these reforms don't cut into your guaranteed benefits. What they do is eliminate copayments and deductibles for preventive care, like checkups and mammograms. You will be getting those for free now.

This is why AARP supported this bill, because it's good for seniors. It's the right thing to do. It's good for young people. It's the right thing to do. It's good for people who've hit these lifetime limits. It's good for people with preexisting conditions—all that happens this year.

And then, by 2014, each State will set up what we're calling a health insurance exchange, but it's basically just a competitive marketplace where uninsured people and small businesses, who right now are out there on their own trying to negotiate with insurance companies, they can now be part of a big pool: millions of people coming together, leveraging their purchasing power, which is going to lower their rates. They'll get a better deal.

You know, Wal-Mart, the reason they are able to give you low prices is because they buy, and they tell their suppliers, we're the biggest—we're a 800-pound gorilla when it comes to whatever product you're talking about, so you've got to give better prices. Well, the same thing is true when it comes to the insurance market. So everybody who can be part of this pool is going to get a better deal than they would otherwise get.

And by the way, Members of Congress are going to be part of this pool. So you know it's going to be good, because they're going to have to use it themselves for their own families.

So that'll happen in the next few years. And when this exchange is up and running, millions of people are also going to get tax breaks to help them afford coverage. So even though this pool will give you lower rates, you'll get a better deal, some folks still can't afford it. So we're going to give you tax credits to help you afford it. And that adds up to the largest middle class tax cut in health care in history. That's what this bill is about.

So think about it. That's what this is about. We're setting up a pool using the private market to give people a better deal. We're giving tax breaks to working people—some of them working two, three jobs, who still can't get insurance—we're going to give them some help. We're going to give small businesses help so that they can help their workers and improve their bottom line. And we've got a whole bunch of insurance reforms so people like Theresa aren't going to be disadvantaged and taken advantage of when they need it most. That's what this bill is. And it's paid for, and it saves on our deficits.

Now, this is what everybody's been hollering about as the end of freedom. [*Laughter*] And now that it's passed, they're already promising, we're going to repeal it.

Audience members. Boo!

The President. They're going to run on a platform of repeal in November. And my attitude is, go for it. You try to repeal it.

I want these Members of Congress to come out of Washington, come here to Maine, and tell Mr. Milliken there, you know what, we're going to take away your tax credits, essentially raise your taxes. If you want to—if they want to do that, be my guest.

If they want to look at Lauren Gallagher in the eye and tell her they plan to take away her father's ability to get health insurance, that's their right. If they want to go tell Theresa that once again, you could face a lifetime of debt if you lose a family member, they can run on that platform.

If they want to have a fight, I welcome that fight, because I don't believe the American people are going to put the insurance industry back in the driver's seat. I'm happy to have that argument. I'm happy to have that argument.

Now, in fairness—and I want to be scrupulously fair—some of them have now said, "Well, we want to repeal and replace this bill with our brand of insurance reform." But when you poke and prod and you ask them, well, what is it exactly you're going to replace it with, it turns out they want to deregulate the insurance market. We've already been there. We know what that's like. We're not going back. We're not going backwards. This country is ready to move forwards. Portland, Maine, is ready to move forward.

And while we're talking about moving forward, I just want to mention one thing. Kind of lost in the shuffle of all this health care debate is the fact that part of the bill that we signed—that I signed this week—is going to provide an additional \$68 billion that used to go to banks and financial services companies, and that's now going to go to the student loan program to expand Pell grants and to make sure that college is affordable for every young person in America. And I want to know, do they want to repeal that as well, because I'm happy to have that discussion.

Now, \$68 billion—\$68 billion—that was going to banks and financial institutions, we've just taken that money from the banks, from the financial institutions, doubling Pell grants, making sure that young people, if you've got debt when you go out of college—and I know I did, so I—you probably do, too—that you will never have to pay more than 10 percent of your income in repayments, so that you're not going broke because you decide to get a college education that makes our economy stronger, that makes America stronger. If they want to repeal that, too, we can have that discussion.

You know, the road to this victory has been long. It has been difficult. And it's absolutely true that because health care is such a complicated issue, a lot of people got worried. A lot of people got scared. And the misinformation seeped in. And then the process was ugly and everybody was arguing and there was all kinds of stuff going on in the Senate and the House, and everybody just said, "Ah, you know, this looks like a mess."

I understand that. That's part of our democracy. This is a—democracy is a messy business. It is the worst form of government except for all the other ones that have been tried. [Laughter] That's what Winston Churchill said. That's what Winston Churchill said—he's absolutely right. You know, it can be frustrating sometimes, but ultimately that's what makes our country so great, is because everybody is able to voice their opinions; everybody is able to get out there and organize. And you're free to call your President an idiot. [Laughter] You know?

Audience member. You're not one.

The President. They——

Audience members. Boo!

The President. No, that's—it's a wonderful thing. As I was driving by, people were waving. Everybody was clapping. And then one guy's like, "Eh." [*Laughter*] He saw me through the window, too. He went, "Eh." [*Laughter*] I thought, that's a great thing about the country.

Look—but I want everybody to learn the lesson from this debate. In reaching this milestone, it doesn't represent the end of all our problems. We still have jobs to create and deficits to reduce. We still have children to educate. We still face enormous challenges in this country. Jobs haven't been returning fast enough, despite everything that we're doing. The economy is growing again, but people still haven't been hired back as fast as they need to. Small businesses are still having trouble getting credit out there. So there are all kinds of issues we're going to have to work on.

But what this fight has taught us about ourselves and about this country, it's bigger than any one issue. It reminds us that change is never easy, but it's always possible. It reminds us that in the United States of America, we still have the power to shape our own destiny. And it reminds us that we as a people don't shrink from a challenge. We don't shirk our responsibilities; we embrace challenges. We don't fear the future; we shape the future. That's what we do. That's who we are. That's what you're about. That's why you're here. That's why I ran for President of the United States of America. That's what makes us the United States of America.

Thank you, Portland. God bless you. God bless the United States of America.

NOTE: The President spoke at 3:17 p.m.

Categories: Addresses and Remarks : Health care reform :: Portland, ME.

Locations: Portland, ME.

Names: Baldacci, John E.; Boehner, John A.; D'Andrea, Theresa; Gallagher, David; Gallagher, Lauren; Mavodones, Nicholas M., Jr.; Michaud, Michael H.; Milliken, William; Mills, Karen G.; Pingree, Chellie; Snowe, Olympia J.

Subjects: Budget, Federal : Deficit; Business and industry : Credit freeze situation; Business and industry : Small and minority businesses; Congress : House of Representatives :: Minority leader; Economy, national : Improvement; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Education : Postsecondary education :: Affordability; Education : Postsecondary education :: Pell grants; Education : Postsecondary education :: Student loans, elimination of subsidies to private providers; Education : Postsecondary education :: Student loans, repayment cap; Employment and unemployment : Job creation and growth; Health and medical care : Cost control reforms; Health and medical care : Employer-based health insurance coverage; Health and medical care : Health insurance exchange; Health and medical care : Health insurance reforms; Health and medical care : Insurance coverage and access to providers; Health and medical care : Medicare and Medicaid; Health and medical care : Patient Protection and Affordable Care Act; Health and medical care : Preventive care and public health programs; Health and medical care : Seniors, prescription drug benefits; Health and medical care : Small businesses, tax credits to purchase insurance

coverage; Health and medical care : Young adults, insurance coverage as dependents, age limit extension; Health Care and Education Reconciliation Act of 2010; Maine : Governor; Maine : President's visit; Small Business Administration : Administrator.

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